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55

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CONTENTS

South Vietnam: Situation report. (Page 1)

West Germany - France: German officials have expressed discouragement over relations between the two countries. (Page 2)

<u>Peru</u>: Stresses are appearing in the new military government. (Page 4)

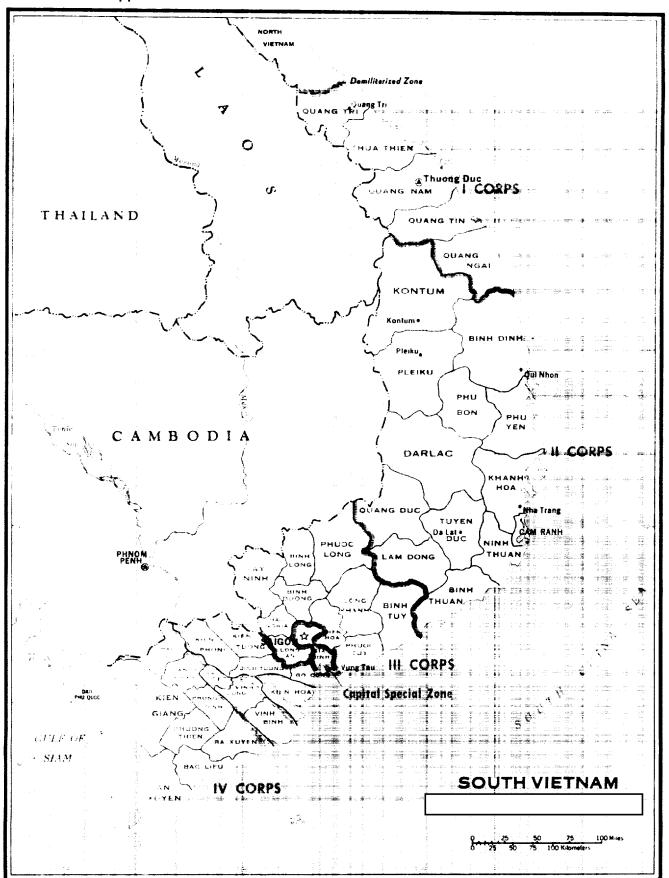
Mexico: Domestic political implications of the student crisis are broadening. (Page 6)

Turkey: Students are organizing a new anti-Western campaign. (Page 7)

South Africa - Angola:	Petroleum	(Page 11)

25X1

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South Vietnam: Sharp clashes occurred between allied and Communist forces near the Thuong Duc Special Forces camp and in the provinces near Saigon on 6-7 October, mainly as a result of aggressive allied ground operations.

In Quang Nam Province, US and South Vietnamese forces continue to seek out elements of the three North Vietnamese regiments which have closed in on the Thuong Duc camp. A small enemy force under cover of a mortar barrage attacked a US Marine position on 7 October. Five Americans were killed and four wounded, while three Communists were killed.

In III Corps, the tempo of ground combat picked up with a series of battles in Hau Nghia, Long An, and Binh Long provinces. More than 100 enemy troops were killed in these engagements, while allied casualties were light.

West Germany - France: Since the Kiesinger-De Gaulle talks, German officials have expressed discouragement over relations with France.

De Gaulle apparently made no firm pledge of military support in the event of an attack from the east but limited himself to saying that France would stand by Germany's side in such an event. Many senior German officials have concluded that France is in the process of withdrawing from its international commitments across the board, a view shared by some British diplomats.

The French pressed the Germans to agree to consultative procedures which would make it difficult for Bonn to take initiatives independently of France on such issues as Britain's entry into the Common Market. Kiesinger has vehemently denied that he made any such agreement. German officials in fact claim that De Gaulle was told that Bonn reserves the right, on the basis of its own national interest, to support projects for wider European cooperation even when France refuses to participate. At the same time, Kiesinger apparently did assure De Gaulle that Bonn would not take the initiative against France.

One German official has said he believes the Kiesinger - De Gaulle relationship is nearing its end. Kiesinger probably is disillusioned, but it seems unlikely that he would do anything to risk Franco-German amity, one of the guiding principles of his career as chancellor and of post - World War II West German policy.

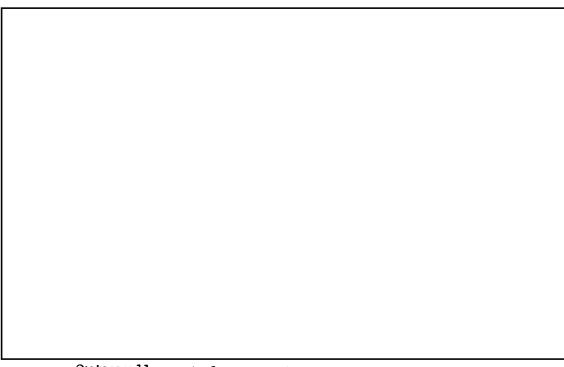
The US Embassy in Bonn notes, however, that West Germany may intend to give priority to its own defense needs and to place its relations with the US ahead of those with France. In support of this,

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the embassy cites signs of Bonn's willingness to increase defense outlays and Kiesinger's instructions to his foreign office to move ahead with the idea of a European caucus in NATO, a mechanism that would enable the European members to speak with a single voice in alliance councils.

Peru: Stresses are appearing in the new military government as it takes up the task of actually governing the country.

President Velasco has dismissed previously prepared studies of Peru's problems as outdated and impractical. The lack of a plan for governing and the cabinet ministers' unfamiliarity with their new jobs are creating problems and strains, which are exacerbated by interservice rivalries and personal jealousies. The air force has threatened to withdraw its backing unless the minister of aeronautics is replaced.



Outwardly, at least, the country is returning to normal. Government offices, private businesses, and schools were functioning by 5 October. The opening of the universities on 7 October sparked a new student outbreak which police quickly put down with extensive use of tear gas. The political parties, as

8 Oct 68

Central Intelligence Bulletin

Approved For Release 2003/10/01: CIA-RDP79T00975A012300020001-2

well as the press, have been permitted to operate relatively freely, but this may change if the constant criticism of the military coup continues.

Reaction of other Latin American governments has in general been adverse. The congresses of Nicaragua and El Salvador have adopted resolutions protesting the coup. Consultations regarding diplomatic recognition of the new administration are taking place among various members of the OAS.

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Mexico: The domestic political implications of the student crisis are broadening.

A detained student strike leader, Socrates Campos Lemus, has accused a number of prominent politicians of funding and otherwise promoting the student campaign against the Diaz Ordaz government. His statement to the press, which appears to have been made with official sanction, has been denied by several of those implicated and has been proclaimed false by student groups.

Campos Lemus' indictment of leftists within the ruling party may possibly presage some disciplinary action within the political establishment. Even aged ex-president Cardenas, long known to be sympathetic to left-wing groups, has publicly denounced what he termed intervention by "antinational and foreign forces" in the crisis. Although Cardenas' relations with the incumbent administration have not been good, he called on all Mexicans to end the violence and to resolve problems with reason and justice.

A variety of official spokesmen have blamed the disturbances on foreign instigatorsranging from Communists to US officials.	25X1
The student strike council continues to blame the government for the violence on 2 October, and says that the numbers of dead and wounded greatly exceed the official count of 35. Many versions of the events of that night are making the rounds, but	25X1
ously ready for a gunfight.	_0,
There have been no demonstrations since 2 October, but there is no indication that the students are	

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ready to drop their demands or end their strike.

Turkey: Leftist student leaders in Ankara are organizing a new anti-Western campaign to coincide with the reopening of most universities next month.

An "anti-imperialist week" being planned for early or mid-November will be aimed primarily at the US, NATO, and the Demirel regime. there may be some mild condemnation of the Soviet invasion of Czech-oslovakia.

The projected campaign will include the distribution of posters and pamphlets and the organization of student protest marches. Several prominent leftist politicians, journalists, and professors are being invited to address student gatherings. Such a campaign will almost certainly lead to open clashes with organized rightist students.

The leftist-dominated National Youth Organization intends to sponsor an "international seminar" in Ankara sometime in November. The seminar will focus on economic relations between developed and underdeveloped countries. The agenda is reported to include items on "cultural imperialism" and "the role of youth in achieving economic freedom." These topics are designed primarily to generate criticism of the US and praise of the socialist system of the USSR. Delegates reportedly already have been invited from the USSR and several European Communist countries, as well as from Asia, Africa, and Latin America.

There are some indications that the Turkish leftists may receive assistance from foreign Communist sources. Propaganda pamphlets are being printed in Czechoslovakia by the International Union of Students, A Turkish student leader who visited the World Youth Festival in Sofia last summer reportedly was offered assistance.

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8 Oct 68

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Central Intelligence Bulletin

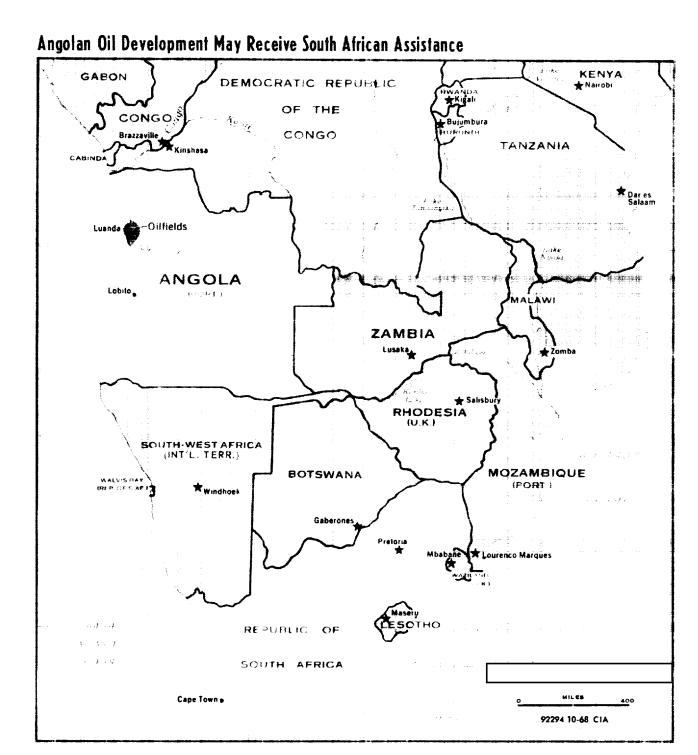
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A few Turkish universities opened last week, but the majority are scheduled to open on 1 November. Some students have already started boycotting classes to protest the failure of the schools to initiate the educational reforms demanded last spring. Thus far, however, the demonstrations have been restricted to the campuses and have been nonviolent.

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South Africa - Angola: A number of South African firms reportedly want to participate in developing petroleum deposits located in Portuguese Angola's Cuanza River basin. They have apparently sent a geological survey team to investigate the field, now controlled by Belgian and Portuguese interests. Farther north, petroleum deposits near Cabinda have proved highly productive, according to the US oil company exploiting the area; output is expected to reach at least 150,000 barrels per day by 1970.

taken part in these activities, it almost certainly has noted the fact that the "white redoubt" could meet South African petroleum import needscurrently about 125,000 barrels a day.	
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